



NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

450 N Street
Sacramento
California 95814

CLAUDE PARRISH
Vice Chairman, BOE
Third District

RAMON J. HIRSIG
Executive Director

FOR IMMEDIATE RELEASE

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Contact: Anita Gore
Communications Office
(916) 327-8988

Website: <http://www.boe.ca.gov>

**PARRISH ANNOUNCES FUEL TAX RELIEF
IN WAKE OF HURRICANE KATRINA**

Claude Parrish, Vice Chairman of the California State Board of Equalization (BOE), in response to shortages of clear diesel fuel caused in part by Hurricane Katrina, announced that the BOE will not impose a tax penalty when dyed diesel fuel is sold for use or used on the highway. This relief applies immediately, and will remain in effect through September 15, 2005.

This penalty relief is available to any person that sells or uses dyed diesel fuel for highway use. The relief is available only if the operator or the person selling the fuel pays the state diesel fuel excise tax of 18 cents per gallon.

The Internal Revenue Service (IRS) has adopted the same period for relief from federal penalties imposed on the sale or use of dyed diesel fuel on the highway. For more information on the IRS relief policy see <http://www.irs.gov/newsroom/article/0,,id=147221,00.html>

Ordinarily, dyed diesel fuel is not taxed, because it is sold for uses exempt from excise tax, such as farming purposes, construction activities, and for or others who use the fuel off-highway.

If you have questions about this notice, or require assistance in remitting the excise tax on dyed diesel fuel, please call the Fuel Taxes Division at 916-322-9669 or toll-free at 800-400-7115 (follow the prompts to fuel taxes). Staff is available to help you weekdays from 8 a.m. to 5 p.m, except state holidays.

Claude Parrish, of Long Beach, was elected to his first term as Third District Board Member of the State Board of Equalization in 1998, and re-elected in 2002. In December 2004, Mr. Parrish was re-elected to serve as Vice Chairman, a position he has held for the past two years. He presided as Chair of the Board in 2001.

The five-member Board of Equalization is a publicly elected tax board. The Board collects more than \$44 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and plays a significant role in the assessment and administration of property taxes.

Other Board Members include Betty T. Yee of San Francisco, Acting Member, First District; Bill Leonard of Sacramento/Ontario, Second District; Chairman John Chiang of Los Angeles, Fourth District and State Controller Steve Westly.

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